DEMOCRACY AND INEQUALITY: "THE DARK SIDE OF CIVILIZATION"

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Abstract

This paper was an attempt to revisit the relationship between democracy, distribution, and Inequality. The author explains the theoretical reasons why democracy should increase redistribution and reduce inequality, and why such expectations usually fails, because some segment of the population do not want equalization of opportunities to excluded segment of the society. The survey is on existing empirical literature. Inequality undermines democratic resilience. Inequality increases political polarization, disrupts social peace and undermines trust and support of democracy. The discussion highlighted further search on inequality and democracy from the comparative political economy perspective, Nigeria as a case, and try to explain why some countries are more effective than others. The study also looked at general trends and concepts. The paper examines the links between democracy, income inequality, corruption, with reference to Nigeria as the case may be. Eventually, corruption is an important factor that widen the economic and political inequality on the democracy, by weakening legitimacy, accountability and institutional capacity and effectiveness. Conclusively, the study provides the proof suggesting that inequality tends to increase after demoralization when the economy has undergone structural transformation, when inequality is high, and there is a small gap between the middle class and the poor.

Keywords: Democracy, corruption, inequality, political, income. Redistribution and structural transformation.

INTRODUCTION

Without a shadow of doubt distribution of wealth is too important an issue to be left to economist, philosophers, psychologist, sociologist, and historians. It is of indeed of interest to everyone. The hard-physical reality of inequality is visible to the naked eyes and by nature inspires sharp but apposing political judgment. For instance, Democracy will never be supplement by a republic of expert. However, we can go on discussing inequality without precisely defined, sources, methods, and concepts. Many believe that inequality is always increasing, and the world is continually becoming more unjust. others believe that, inequality is always naturally decreasing. However, expert analysis will never draw an ending line to the violent Political conflict that inequality inevitable instigates.

Looking at some history of England and France, when classical political economy was born in the fall of eighteenth and early nineteenth century, the issue of distribution was one of the key questions. Accordingly, everyone noted that radical transformation was not far, due to sustain population growth, followed by rural exodus and the arrival of Industrial Revolution. According to Thomas Malthus, in his published Essay in 1796 "The principle of population". Saying that the major future threat will be over population. But the travel diary of published by Young Arthur, an English Agronomist who traveled widely in France, from Calais to the Pyrenees and from Brittany to Franche-Comte, in 1787-1788, on the eve of the revolution, and he was able to capture on writing on the French poverty of the French countryside. That time France was the most populous country in Europe, with a population of 20million. This rapid population growth believed to have contributed to a stagnation of agricultural wages and increase in land rents years leading the Revolution of 1789, although there were several other reasons that lead to the Revolution. Young believed the mass poverty he witnessed would lead to political unrest. He was rather convinced that only the English political system, with separate houses of Parliament for aristocrats and commoners and veto power for stability could allow for peaceful united development led by responsible people. He was also convinced that France was headed for ruin when it decided in 1789-1790 to allow aristocrat and commoners both to site in a single body.

Democracy encourage wealth accumulation, therefore capitalism does well in a democratic free society, where free market rules. The question is, has Democracy as a system of government been able to bridge the gap between the rich and the poor, the laborer, and the employers of labor. The impact of political system on distribution depends on the laws, institutions and policies enacted by that system. More so, what policies or institutions a political system produces is a function of distribution of power in the society and the why mobilization of interest and political institutions aggregate preferences. Example, political institutions that concentrate political powers within small or narrow segment of the population. Typical of or less of undemocratic regimes- sub-Sahara Africa- often generate greater inequality . There are several ways through which such an impact might operate. First, it may be the enactment of policies benefiting privilege few political powerful at the expense of most of the society. This is typical of Nigeria, where the Hausa-Fulani of the North West of Nigeria dominated the political system over 50 years of nation existence, nearly like the white domination in Apartheid South Africa prior to 1994. Where institutional reforms and policies and regulations of government where design to reduce competition towards segment of the society . (Acemoglu and Robinson, 2013). For instance, policy outcome and inequality depend not just on the de jure but also the de facto distribution of power, whereby, Robinson and Acemoglu argue that under circumstance, those who see their de jure power eroded by democratization may sufficiently increase investment in de facto power. For instance, via local law enforcement, mobilization of non-state arm actors, thugs, lobbying and other means of capturing the (party system) in other to continue to control the political process. Ordinarily, Democratic government is more subject to demands from citizens. In theory, by promoting political equality, democracy provides various groups, such as interest groups, labour unions, and political parties, with open spaces of political competition to represent their own interests and welfare. Therefore, to clearly understand the influence of regime type, one must distinguish between the effect of democracy on policy and of policy on income inequality. The study nexus the Nigerian Democracy, and the effect of various regime policy on income inequality of various interest groups.

THEORIES: DEMOCRACY AND REDISTRIBUTION

A number of scholars have developed political economic models that provides guide in which democracies produce more public goods and improve equal distribution of income by highlighting the mechanism of democratic institutions, such as electoral competition and the expansion of political participation.

An important analytical model, linking democratic institutions and redistribution, comes from Melzer and Richard(1981) who focus on the effects of electoral competition. This model assumes that the median voter is the critical voter in determining the size of government, which is measured by the share of income redistributed. Meaning that the size of government hinges on the relationship between mean income and the income of the average voter, depending on the regime types. Therefore, compared with authoritarian regime, democratic government have the tendency to provide more public goods to those with low income, which may then redistribute incomes more equally. Meltzer Richard provides an insight, how democracies prefer more economic redistribution because they support a broader range of interests of the masses, unlike authoritarian regime which do not because they bolster the interests of the elite.Acemoglu and Robinson (2013)

Another dimension of investigating the re-distributive effects of democracy focuses on lobbying and the influence of interest groups and activists. Model of lobbying implies, first, that redistribution is likely to be greater in democracies than non-democracies because, in principle, democracies produce large numbers of powerful independent interest groups. Subsequently, the distribution of government spending becomes vastly unequal in communities with a number of well-defined interest groups because lobbying draws the government to ignor the welfare of unorganized individuals. The studies of interest groups argue that organized interest groups receive more benefits than unorganized individuals, but state that lobbying does not distort the provision of public goods, which influences unorganized individuals just like anyone else, as beneficiaries, because "lobbies might largely consist individuals with a high preference for the public good, who have a higher stake on the policy outcome. As a result, lobbying bring about higher level of government spending.(person and Tabellini, 2010)

Democracy and Structural Transformation

Looking at redistribution that results to inequality, emphases Moore (1966) and by Acemuglu and Robinson (2006) in the economic literature is the combination of policies used to create enough and cheap labor for the rural sector. Many nondemocratic and agrarian society use explicit and implicit limits on migration out of the rural sector, together with labor repression to keep wages low and redistribution income from the population to the politically powerful landed elites. For example, the industrial sectors in 19th Century England used master and servant law to prosecute workers and repress trade unions, which was only repealed following an expansion of the franchise to workers and de-criminalization of workers organization. (Naidu and Yuchman 2013. Furthermore, in rural Africa, land is often controlled by the traditional rulers and chiefs and not held as a private property and people moving away from chieftaincies lose the right over land. In Sierra leone and Nigeria, force labor controlled by chief was common in rural areas prior to the civil wars in 1991 and 1967 in both countries. (Acemuglu, Reed and Robinson 2014). There is a strong evidence that democratization does not just redistribute income, but also results in a degree of structural change of the economy and investment in the public goods. As my theoretical discussion implied, this could explain why democratization has a statistical weak effect on inequality. Much more, democracy may open up new frontiers of opportunities to citizens and economic transformation, which may increase inequality, and at the same time lowering barriers to entry and investing in public goods, which may reduce inequality, and the overall result could be either decrease or increase in inequality, despite the increased taxation.

Effect of National income on inequality

National income is defined as the sum of all income available to the residents of a given country each year, regardless of the legal classification of that income. In other words, national income is closely relating with the idea of GDP. Although, GDP measures the total of goods and service produce each year within the borders of a country. National income differs, and to calculate national income, one must subtract from the GDP the depreciation of the capital that made this production possible. This depreciation means wears and tear on buildings, infrastructure, machinery, vehicles computers, and other items during the year in question. Importantly, when depreciation is subtracted from GDP, one obtains the "net domestic product," which is typically of 90% of GDP. For instance, country like Nigeria whose firms and other capital assets are owned by foreigners may well have a high domestic product but much lower national income, once profits and rents flowing abroad are deducted from the total. The reverse may be the case. Inequality in the ownership of capital brings the rich and the poor within each country into conflict with one another. The concept of national income is to give us the idea on the dimension of inequality. Inequality disrupt social order, undermined trust, and support for global democracy.

Irrespective of the global debate on democracy and inequality, the level of acceptable inequality has been the problem. While democracy promising, data shows substantial focus on economic growth at the bottom of the ladder fails to capture the dynamic of wealth accumulation at the top of the ladder, and other types of inequalities. Oxfam report, shows an economy for the 1%, explains how in 2015 the wealthiest 62 individuals in the world controlled as much wealth as poorest 3.6 billion (Oxfam 2016) this individual influence political power and put in place the rules of the game that promotes their interest.

Democracy promotes globalization and raise in power of business organization to influence policy making. Relative to the economic elites and well-organize business interest groups, the average voter in Nigeria has little influence over policy outcome.

Dimensions of Inequality

i. Inequality within a state
ii. Global inequalities

Inequality within state is raising, especially in the developing world and middle-income countries (United Nations Programme 2016; world bank 2016). Income inequality, wealth inequality and equality of opportunity. (This often is the tendency an individual social backgrounds will influence intergenerational social mobility) inequality may varies depending on the country. In Nigeria, for example, there is a high level of urban-rural kinds of inequality of opportunity (Oxfam International 2019). In the USA, Wealth inequality is larger than income inequality, while inequality of opportunity varies by geography (Stanford University 2017)

Various government institution has influenced inequality. For example, in Nigeria the actions of government institutions have affected move of inequality among groups, tribes and regions. Bank loan given by the federal government, tax system. government policies undermined ethnic and religious diversity, most employment in public sector are secretly done and majority of people employed comes from a section of the country and faith. Policy also undermined quality of public education in some section and region of the country. These institutions created such deep and persistent inequality across cities (Belinda Archibong 2018)

Today as a result of globalization, the global economic center of gravity has slowly shift East due to the significant development gain in South East Asia, Latin America and the Caribbean/and sub-Sahara Africa (Beegle et al. 2016; Rosen and Ortiz-Ospina 2017). This fundamental shift reduces the overall level of the world's population living below poverty level and started to close the income inequality gap between what Ferguson refers to as the West and the rest (Oxford Martin School 2014). As promising as it seem, the data focused sole on economic growth at the bottom of the ladder fails to capture the dynamics of wealth accumulation at the top the ladder, as well as other important types of inequalities. This simply implies that not all inequality trend are positive. For instance, two global trend stands out as major challenges to the resilience of democracy. First, the concentration of wealth in the hands of very few individuals is increasing. Accord to Oxford report 2016, indicate that an Economy for the 1%, explains that how in 2015 the wealthiest 65 individuals in the world controlled as much wealth as the poorest 3.6 billion (Oxfam 2016). The Thomas Piketty's research explains how progressive tax systems effectively reduced inequality in capitalist economies after World II (Piketty 2014)

Inequality within a state, or intra-state inequality, is rising, especially in developing and middle-income countries (United Nations Development Programme 2016; World Bank 2016). Often developing nations are faced with so-called race-to-the bottom pressure, meaning cutting public services or reducing tax burdens and regulations to attract mobile global capital and increase in foreign direct investment. Looking at South Africa as a success story of democratization and welfare system development, however, the country continues to face political and social instability linked to deep and continues persistence inequalities. After a long period of political stability between the year 2000 and 2016, service delivery protest has escalated in some cases turned deadly (institute for Security Studies 2016). It is therefore important to understand that lack of access to basic services such as clean water and sanitation, and sharp economic inequality, absence of social protections increase the risk of democratic backwardness. The stories of kidnapping, banditry, terrorism in Nigeria is as a result continues raise in social inequality.

ii. Key concepts of global inequality.

Usually inequality manifest in different forms in different context. It may vary in terms of gender, race ethnic identity, class and even in terms of various economic inequality. The trend may be different depending on the country in question. As the case may be , there are income inequality, wealth inequality and inequality of opportunity, (or the possibility of an individuals from particular backgrounds will achieve inter-generational social mobility) are concepts, and each of the concept may vary both among and within countries. In Nigeria for example, there is a high level of urban-rural variation in inequality of opportunity. In the USA, wealth inequality is larger than income inequality, while inequality of opportunity varies by location (standard University 2017).

Over the years, various government institutions have in one way or the other influenced inequality trends.

In the Nigeria case, for example, election institutions that create incentives for clientelism and patronage usually contribute to the trends in inequality. Due to electoral rules, politicians often have strong incentives to direct government spending towards localities and interest groups rather than the large, national social welfare programmed. In some cases, the ruling party does that to gain electoral advantage, while representatives continue to allocate government resources to special projects or interest groups in their own constituencies. Indeed, this type of behavior may be political known all over, but it is also economically inefficient (Shepsle and weingast 1981) though the government is democratic in nature but the spate of patronage and clientelism can contribute to regional and local variations in ways of inequality and undermine the development of more balance national program (Stokes 2011). In as much as Democracy is consider by many as the best form of government, upholding the central character of peoples centered government, the concepts of intersectionality and horizontal inequality are also important.

Intersectionality and horizontal inequality are key to analyzing the relationship in inequality and democracy. Intersectionality is the idea that most forms of discrimination, marginalization and oppression are related not to a single social category such as class, but to overlapping or intersecting identities such as race, gender, and sexuality (Crenshaw 1991). The concept of horizontal inequality focuses on 'multidimensional' forms of economic, social and political exclusion 'among culturally defined (or constructed) social groups'(Stewart and Langer 2008;1). Nigeria today, social and political exclusion, gender, and sexuality inequality continued to be seriously unattended to by the political authorities, instead, an overwhelming political lips service and zero political will.

The horizontal inequality has become an important tool in the hands of scholars in collecting data related to ethnic and economic inequalities to help analyze horizontal inequality using quantitative methods (Chapman and Gray 2007). The analyses provide an answer to the relationships between economic and identity-bases inequality, political stability, and democracy resilience. One of the strongest findings in the literature is that in many cases, there is a strong correlation between horizontal inequality, poor governance and arm conflict (Cederman, Weidmann and Bormann 2015) in Nigeria for example, researchers found a strong correlation between communities with highest level of horizontal inequality and higher level of participation in criminality and carrying arms against the state. For instance, Boko Haram in the North East, cattle rustle and bandits in the North West, Niger Delta oil pipe vandalism and kidnapping in major urban areas. The correlation here is that, the overlap of social and economic inequality can actually lead to relative deprivation among groups and a share feeling of discontent base on comparing one's own social position with the position of other groups in society (walker and Smith 2002, MacGinty and du Toil 2007). Again, in Nigeria, the economic persistent dominance of the Southern part and few Northern elites has affected economic and identity-based inequality. Difference among social groups in Nigeria remain stark. Continues relative deprivation and a lack of access to government resources among ethnic, religious groups drives identity politics, trigger election-related conflict and undermined democratic institutions (Jega 2011) In summary, high level of horizontal inequality lead to relative deprivation, which often can result to increase conflict vulnerability, intensity identity politics, trigger election related conflict and what democracy stand for.(Mine et al. 2013)

Why Inequality Continue to Persist in Democracy

The first possible reason is that even though democracy reallocate de jure power to poorer agents, richer segment of the society can take alternative actions to offset this by increasing their de facto power. This possibility was first raised by Acemuglu and Robinson (2008). Lets look at the following illustration, suppose the distribution of income has mass at two points, the rich elites which is initially enfranchised, and the rest of the citizens which make the majority of the population and initially is disenfranchised. Suppose in addition that the rich elites can undertake costly investment to increase it de facto power (simply means the power they control) outside the one that is Constitutional strictly sanctioned, such as their influence on parties platform via lobbying or repression through controlled of local law enforcement or nonstate armed actors.(see Robinson and Santos 2013) if they do so, will capture the political system and for example controlled the political agenda of all parties. The point am making is that once there is enfranchisement, the cost is not too large, the rich elites will fine it beneficial to incur cost, and may then succeed in setting the tax rate at their advantage, rather than putting up with the higher redistribution that vast number of citizens would impose. Each elite agent individually contributes to their de facto power which need to be greater in democracy to exceed the increase in de jure power of poor citizens. Inequality continue to persist because democracy may be highly dysfunctional, or effectively captured because institutional design of democracy is often chosen by restricted franchise or dictatorships. To illustrate further, Acemoglu, Ticchi and vindigni (2011) developed a model where the elite can take controlled of democracy by forming a coalition in favor of continuation of patronage, keeping the state weak, and redistribution become ineffective raising inequality. Indeed, empirical studies showed empirical evidence consistent with this discuss. Lachines (2011), for instance illustrate that the democratization of Italy in 1912, though it had a big positive effect on people who voted, had little impact on which parties were represented in the legislature, something he explain as consistent with the democracy being capture by old elites. In Nigeria today, since return to democracy in 1999. Inequality has been on the raise because of the above mention elites capturing democracy for their individual gain and not of the generality of citizens Nathanielssss Umukoro (2014).

The second reason why inequality may not decline is due to increase in market opportunities, we shall look at some examples to understand the point at hand. In South Africa for instance, the end of Apartheid in 1994 has been associated with an increase inequality. Why? Because the black majority now takes part in economic activities from which was before excluded or not permitted, and earnings are more gotten than the low-skill, manual occupations the blacks were previously restricted to. Also in Eastern Europe after 1989 the collapse of communism, new opportunities were created for the people who were previously caged in some sectors of the economy where they could not use their skills and talents to the very best.(Atkinson and Mickelwright,1992, flemming and Mickelwright, 2000). However, the implication for inequality are ambiguous because policy instrument preventing some people from moving into some potently high productive activities.

The theoretical idea presented above suggest that in the most basic framework, we expect democracy to increase redistribution and reduce inequality, however, several factors interfere against this possibility. The elite- the richer segment of society, who stand to lose from increased redistribution can attempt to increase de facto power to compensate for their reduced de jure power under democracy. Democracy may also be associated with the opening of new economic opportunities to a large segment of the society, which can be additional source of inequality.

In conclusion, the effect of democracy on redistribution and inequality is imperative for understanding what democracies do add in relations with policy instruments. There appear to be not clear consensus in social science literature on this topic. However, my concern is that democracy should be the baseline expectation in the literature, has been that democracy should increase redistribution and reduce inequalities. However, this expectations may not be born out of the data, because democracy may be capture or constrained; because democracy may catered to the wishes of the middle class; or democracy may simultaneously open new economic opportunities to the previously excluded, contributing to economic inequality.

RESULTS

My results indicate that democratization does indeed increase government taxation and revenue as fractions of GDP. This affirmed standard Meltzer-Richard logic prediction, there is no robust evidence that democracy reduces inequality. My findings also suggest that democracy increases the share of GDP and population not in agriculture, as well as secondary school enrollment. The findings further suggesting that democratization in the presence of powerful landed elites may increase inequality, and that structural transformation may stimulate expansion of opportunities that resist any additional redistribution. Research shows that democracy increase inequality in the times we are when the global technological and organizational frontier is more and more inequality inducing from all sides.

A sequence of empirical work on Latin America and Africa also suggests that a democracy funds welfare spending on some subcategories at higher levels than a non-democracy does. Some cross regional studies support the claim that democracies are likely to produce more government spending than authoritarian regimes, with evidence that, with respect to increasing globalization, democracies ensure higher rates of social intervention compared with authoritarian regimes, base on panel data for 65 developing and developed countries.(Adsera and Boix, 2002) and (Rudra and Haggard, 2005).

In Nigeria, over two decades, the country returned to democratic regime, government spending continue to increase but also the level of inequality is alarming. The rate of income inequality and the absence of social welfare in Nigeria suggests that democracy in Nigeria is a theoretical analysis and not a real experience.

How to Tackle Inequality in New Democracies.

It is obvious that variations in the performance of economic systems around the globe, with specific focus on comparing how different types of political institutions and economic systems results to different outcome, particularly regards to inequality. Following the global financial crises of 2008, income inequality hit the roof in many developed countries, especial among the youth(OECD 2015) On the contrary, the second half of the 20th century, following the World war II, the Organization for Economic Co-operation and Development (OECD) countries consistently achieved lower level of inequality than developing countries, and improved their Human development index (HDI) scores (Debbs et al. 2016) . the question is, what factors responsible to the falling inequality in the OECD) Countries in the 20th century? Looking at the answer to this question in a brief, Garfinkel et al, describe, income tax levels were relatively high, social expenditure relative to gross domestic product (GDP) was high, and a broad range of social spending through a mix of formal state bureaucracies, tax codes and private market mechanisms helped the (OECD) countries sustain productivity, increase output, and generate with that reduced poverty and built a strong middle class (Garfinkel, Rainwater, Smeeding 2010). By implication, the Liberal welfare states spend 16-20 percent of GDP on social expenditure and had extremely low decommodification scores. This index measure extent to which citizens bought public goods in the market, such as health care, education, unemployment protection, relative to the state provision public goods. Corporatists-statist countries spent 21-27 percent of (GDP), while Social democratic states spent the highest proportion on welfare, between 26 and 30 percent of (GDP) and had resulted to the highest level of state provided redistributive goods. Looking at the above illustration, citizens and government have incentives to cooperate to build welfare system that help to redistribute wealth and maintain economic growth. Many developing countries are often prone to vicious circles because the leaders in democratically elected governments have no adequate incentives to build sustainable social welfare policies and programmes. Sachs' (1989) research on inequality in Latin America and Moore and putzel's(1999) research on pro-poor policy making in developing countries provide important conceptual basis for the ongoing debates around the issues of inequality and developing countries. Sachs argues that the "populist policy circle create conditions conducive to extreme inequality in newly industrializing democracies." Specifically, that high level of poverty and inequality create pressures for politicians to fulfil populist campaign promises and institute economic policies to lift population out of poverty. The political authority under this pressure tend to use expansionary monetary policies to stir rapid economic growth and appease voters. However, expansionary policies are not economically enough in developing situation, because they can result to rapid inflation and induce financial crises that may increase inequality. This is the case with Nigeria today. The government of APC under the leadership of President Muhammadu Buhari introduces populist monetary policies; trader money, N-MONEY, ETC to stir growth and appease voters before 2019 general election. This very monetary policies of government raised Nigerian inflation figure to an alarming rate of 11.67%. The gap between the rich and the poor is too wide, and the middle class is diminishing. The National Bureau of Statistics (NBS) recently released the 2019 poverty and inequality report, which highlights that 40 percent of the total population, or almost 83million people, live below the country's poverty line of 137,430 naira ($381.75) per year. (National Bureau of Statistics, 2019).s

Scholars driving the concept of inequality and democracy therefore developed additional typologies specific to the challenges ravaging developing countries. The research on developmental regime model provided three key factors that cause variations among countries trying to become industrialize and integrate into the wider global economy. The factors are: (a) state power; (b) the power to mobilize society; (c) the entrepreneurial power of capital (Kohli 2004; Wibbels and Ahlquist 2007).

Basically, three models of developmental regime are identified: cohesive- capitalist, multiple-class fragmentation and neo-patrimonial .To illustrate and explain these concepts, Taiwan and South Korea are picked and described as 'cohesive capitalist' regimes as a result of high state power, power to mobilize society and the entrepreneurial power of capital, which we have earlier outline as basic factors for regime development. From this perspective, reducing inequality depends on government capacity, government legitimacy and the ability of the state to organize and inspire different social groups to accept and embraced a common economic development agenda. This factors essentially increase the space, interest, and ability of political leaders in investing state resource in health, education, ICT, and any forms of productive human capital development. In essence, this regime avoids Sachs' famous populist policy trap, which often direct government resources towards economically inefficient forms of income redistribution, such as rent seeking, patronage and clientelism. The cohesive-capitalist countries developed efficient state institutions that increased human development and economic growth and reduced inequality.

Another way to tackle inequality in democracy is the multi-class fragmentation model, this model explain how to overcome extreme cases of inequality, which focuses on the historical Asian Tigers namely; Hong Kong, Singapore, South Korea and Taiwan, and how leaders in these countries faces resource constraints that often led to more efficient government institutions. Doner et al. (2005) for example argued that, there are three principal political constraints make patronage less viable choice for politicians, which are: a) broad coalitional commitments, to avoid mass unrest that is related to high level of poverty and inequality among citizens; b) scarce resource endowments and c) security threats. Research had shown that all these factors, they claim create an incentive structure that compelled political leaders in cases such as the Taiwan and South Korea towards institutional reforms that generated economically efficient and sustainable government spending. For example government spending on education, human capital development, research and development, large-scale infrastructure development projects create a virtuous circle, whereby, the middle class get support and are expanded as a result of strong budget that constraints political leaders to allocate scare government resource more efficiently.

Unfortunately, in sub-sahara Africa and Nigeria as a case at hand regime tend to have high level of inequality in the world and face strong barriers to the development of efficient welfare system. Neo-patrimonial regime in Nigeria refers to political systems in which informal political relationships such as patronage, clientelism and identity base social networks, shape the allocation of state resource rather than legal rational bureaucracies or formal state institutions that are bling to traditional social ties.(Bechle 2010) and (Engel20007) Neo-patrimonial regimes tend to have low levels of state legitimacy and a very small middle class. Unlike the cohesive model mention above. The neo-patrimonial regime has little power to organize society behind effective development strategy necessary to integrate into a highly competitive global economy. Under these conditions, they remain highly susceptible to external forces and shocks, example, commodity price fluctuations and high levels of international capital mobility, natural disasters and reginal conflict can create conditions that quickly undermine state economy and the capacity to provide access to services such as education and health care. The outbreak of global pandemic Covi19 in 2019-2020 and Ebola in West Africa in 2014-2016, for example triggered capital flight from the region and for Nigeria the Covi19 seriously affected commodity price of crude oil that Nigerian economy sole depends on, making it increasingly challenging for government to rebuild already over-burdened health systems,(World Bank 2020).

The cause of inequality are complex globally, therefore political leaders have a duty to identify the key drivers of inequality and democracy, search on comparative political economy aim at identify interdependent factors or multiple conditions under which some countries more capacity than others to effective tackle inequality

CONCLUSION

Over time scholars have worked to refine the typologies of inequality, due to the complexity of the types, forms and causes of inequality in the world. In an attempt from settling the complex debate around global inequality and democracy, research on comparative political economy aims to identify interrelated factors, under which some countries do well and develop a robust capacity compare to others to effectively reduced inequality. In context, there are nexus of forces interact differently within the various states working to create sustain welfare regimes and to reduce inequality. Therefore, the effect of democracy on redistribution and inequality is imperative for understanding what democracy do and the available policy instruments. The baseline expectation in the literature has been that democracy should reduce inequality and increase redistribution. More so, that democracy may be captured or constrained, because democracy concern to the wishes of the middle class, and may simultaneously open previously excluded, resulting to economic inequality. "the Nigerian experience".

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